

S-E-C-R-E-T

20 May 1958

MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT: Second Revised Administrative Plan for KE Division
Subsidiary Project DELINERI. Objectives of the Project

1. To harass and weaken the Soviet administration of East Germany and the East German puppet regime; to help promote and sustain popular anti-Communist resistance within East Germany; and to help expose conditions within the Soviet Zone to the Western World.

II. Instrumentality

2. The mechanism of this project is the Kampfgruppe gegen Unmenschlichkeit (KgU). It is proposed that KUBARK will continue to subsidize and guide this organization in furtherance of the objectives authorized above.

III. Background

3. DELINER was organized in 1948 for the purpose of exposing conditions in the target area, which is presently under Communist control, through public mass meetings and through news releases to various information services. The original financial support for these activities was derived from dues and contributions from members of the organization.

4. This plan has been revised to establish a more secure funding method of providing funds to project DELINER. Also, various technical changes have been incorporated in the Plan to bring it into line with current practice.

IV. Approval

5. Funds for fiscal year 1958 were authorized in the amount of [] and based on current data these amounts will be fully obligated. The Operational Program for Fiscal Year 1959 contains an estimate of [] for continuance of DELINER at its present level.

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CENTRAL INTELLIGENCE AGENCY
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V. Administrative Plan

6. This Plan has been concurred in by the interested staffs and divisions and is submitted for your approval.

(SIGNED) [

Chief, Support Staff
Eastern Europe Division

EE/USD/C Detsh

Distribution:

Original (copy #1)

- To Finance Division through
Budget Division

2 copies (copy #2 & 3)

- ID/P Senior Staff concerned (one
copy to be sent to Vital Documents)

3 copies (copy #4, 5, & 6)

- ID/P Operating Division or Staff
responsible for the project

1 copy (copy #7)

- Commercial Staff/Plans

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INFLINEN

EE Division Subsidy Project Revised Administrative Plan (Second)

I. Budget

1. Prior to presentation of the project to approving authorities, the budgetary responsibilities of the Office of the Comptroller shall be discharged by his designee on the Staff of the SSA-DD/S. Concurrence of the SSA-DD/S shall indicate completion of an affirmative review. In the event of a non-concurrence, the project will be returned through the PF **KU** **AGE** Staff to the EE Division for appropriate action. Annual review of the budgetary data for continuing projects will be effected by the SSA-DD/S during the processing of annual operational programs and for project renewals.

II. Cover

2. The ostensible source of funds for continuing operations of INFLINEN will be a cleared and witting PEPRIDE attorney, who will represent an interested PEPRIDE group which prefers to remain anonymous. Cover correspondence will be available for backstopping this story. During the interim while completing the arrangements for the use of this lawyer, the monthly transmittal of funds will be handled by the KUBARK facilities as outlined without the backstopping. The cleared and witting lawyer will transmit funds to a cleared German lawyer in Germany who transmits the funds directly to the INFLINEN group. In actual fact it is not intended that the PEPRIDE lawyer will physically obtain and handle any project funds; in PEPRIDE funds mechanics will be entirely through use of KUBARK's own fully-controlled facilities.

3. Any additional source of funding later required, when considered to be desirable, will be worked out in coordination with the Central Cover Branch.

III. Funding

4. Upon receipt of a request for advance from the EE Division specifying in the "remarks" section that the advance be made by the Finance Division through overt funding channels, the Finance Division shall arrange to transfer funds through overt banking channels from KUBARK controlled PEPRIDE bank account to the bank account of the German lawyer. At the time of each transfer of funds, the Finance Division, Office of the Comptroller, shall transfer to the Chief of the Field Station accountability for the total amount of the funds specified for transfer.

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5. For each transmittal received ostensibly on behalf of the notional PEERLINE group, the principal agent, shall tender two signed true-name receipts. One of these, executed for cover purposes, shall show payer, payee, date, amount, and purpose of the funds advanced, and shall be forwarded by return mail to the ostensible donor via the German lawyer, who will forward all correspondence to KIRARK headquarters offices. The second receipt, which may omit reference to the payer of the funds, shall be covertly provided by the principal agent to the field case officer, who shall forward it to the Authorized Certifying Officer of the field station for retention.

6. In the event any other source of funding is deemed later required, the principal agent will tender a signed true-name receipt for forwarding to the Authorized Certifying Officer of the field station.

IV. Accounting

7. The principal agent shall furnish to the EPILIN field case officer at monthly intervals an accounting for all funds received by the organization. This accounting will show the cash balance at the beginning and end of the period, the cash received by source, and disbursements for the period classified by purpose of expenditure. The principal agent shall certify that the accounting is a true statement of the cash received and disbursed during the period and of the amount of funds on hand at the end of the period.

8. The field case officer shall review the financial accounting and attach his certificate thereto stating that, to the best of his knowledge and belief and based on reports of accomplishment received from the organization, the funds were disbursed for the purpose for which they were advanced.

9. The financial accounting report and the certifications of the principal agent and the field case officer will be forwarded to the authorized field approving officer who will certify that, to the best of his knowledge and belief, these funds were properly expended in the interest of KIRARK. The approved accounting report and the certification of the principal agent and the field case officer will be forwarded to the Station finance officer for recording and retention.

V. Writeoff

10. The Authorized Field Certifying Officer shall have the authority to accept the receipts referred to in paragraph 5 and 6 above, as the accounting for the writeoff to cost of the amounts involved and as a basis for establishing Memorandum Accounts which are maintained for the purpose of reflecting the unaccounted-for portion of the project subsidy.

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11. The Authorized Field Certifying Officer shall have the authority to accept the financial statements and the attached certifications referred to in paragraphs 7, 8, and 9 above, for recording in the memorandum accounts.

VI. Notification of Field

12. The EE Division shall be responsible for advising the field station of the pertinent provisions of this Administrative Plan.

APPROVED, by direction of DD/P

(Signed) Richard Helms

Chief of Operations, DD/P

JUN 3 1958

Date

AUTHORIZED, by direction of DD/S

[Signature]

A Special Support Assist. to the DD/S

MAY 29 1958

Date

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